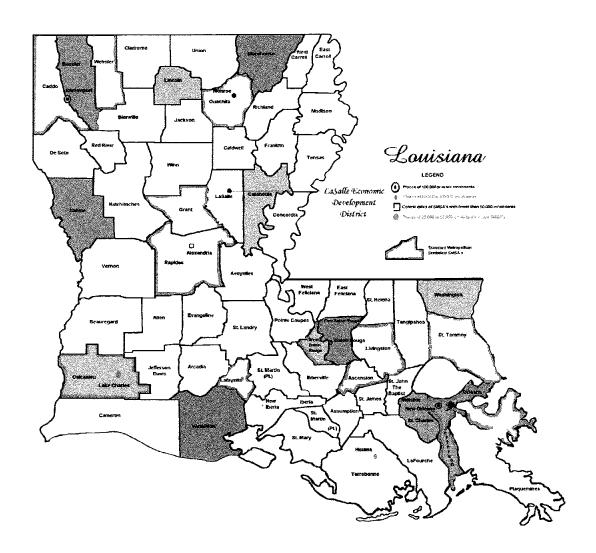
Financial Statements December 31, 2013



* LaSalle Economic Development District

The LaSalle Economic Development District (the "District") is a special district which was created by Louisiana Revised Statute 33:130.201 in 1988. The District is a political subdivision of the State of Louisiana and is governed by a Board of Commissioners appointed by various bodies within LaSalle Parish. The District was created for the primary objective and purpose of promoting and encouraging industrial development, to stimulate the economy through commerce, industry, and research and for the utilization and development of natural and human resources of the area by providing job opportunities.

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Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Members of the Board LaSalle Economic Development District Jena, LA 71342

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the LaSalle Economic Development District, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the LaSalle Economic Development District, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 10, 2014, on our consideration of the LaSalle Economic Development District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the LaSalle Economic Development District's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana June 10, 2014 Management's Discussion & Analysis (MD&A)

LaSalle Economic Development District

MANAGEMENT'S DISCUSSION & ANALYSIS

As management of the LaSalle Economic Development District, we offer readers of the LaSalle Economic Development District's financial statements this narrative overview and analysis of the financial activities of the LaSalle Economic Development District for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with the LaSalle Economic Development District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the LaSalle Economic Development District exceeded its liabilities at the close of the most recent fiscal year by \$3,286,452 (net position). Of this amount, \$66,078 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors.
- The LaSalle Economic Development District had total revenue of \$24,092,783 and total expenditures of \$24,117,286, causing a net change in fund balance of \$24,503. This left the District with an ending fund balance of \$66,078.

REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the Development District report information about the Development District using Governmental Accounting Standards Board (GASB) accounting principles. These statements offer short-term and long-term financial information about its activities. The Balance Sheet includes all of the Development District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Development District creditors (liabilities.) It also provides the basis for computing rate of return, evaluating the capital structure and assessing the liquidity and financial flexibility of the Development District. All of the current year's revenues and expenses are accounted for in the Statements of Revenue Expenditures and Changes in Net Position. This statement measures improvements in the Development District's operations over the past two years and can be used to determine whether the Development District has been able to recover all of its costs through its revenue sources.

MD&A

FINANCIAL ANALYSIS OF THE SERVICE DISTRICT

The Statement of Net Position and the Statements of Revenue, Expenditures, and Changes in Net Position report information about the Development District's activities. These two statements report the net position of the Development District and changes in it. Increases or decreases in the Development District's net position is one indicator of whether its financial health in improving or deteriorating.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

USING THIS ANNUAL REPORT

The LaSalle Economic Development District's annual report consists of financial statements that show information about the LaSalle Economic Development District's fund, a Governmental fund.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Table 1

Net Position

The following table represents a Statement of Net Position as of December 31, 2013:

		2012	2013	% Change
ASSETS				
Current Assets	\$	2,192,188 \$	66,078	-97.0
Capital Assets, Net of Accumulated Depreciation		3,254,242	3,278,865	0.8
TOTAL ASSETS	_	5,446,430	3,344,943	-38.6
LIABILITIES & NET POSITION				
Current Liabilities		2,101,607	-0-	-100.0
Long-Term Liabilities		90,374	58,491	-35.3
TOTAL LIABILITIES		2,191,981	58,491	-97.3
NET POSITION				
Invested in Capital Assets, Net of Related Debt		3,163,868	3,220,374	1.8
Unrestricted		90,581	66,078	-27.1
TOTAL NET POSITION		3,254,449	3,286,452	1.0
TOTAL LIABILITIES & NET POSITION	\$	5,446,430 \$_	3,344,943	-38.6

MD&A

<u>Table 2</u>
Change in Net Position

The following table represents a Statement of Revenues, Expenses, and Changes in Net Position for the year ended December 31, 2013:

		2012		2013	% Change
REVENUES			_		
U.S. Immigration & Customs Enforcement	\$	23,012,101	\$	23,854,476	3.7
Grants		798,332		171,428	-78.5
Other		19,757		66,879	238.5
TOTAL REVENUES	**	23,830,190		24,092,783	1.1
Expenses					
Salary & Related Taxes		16,081		16,152	0.4
Repair & Maintenance		58,201		51,150	-12.1
Disbursements to GEO Group		22,892,861		23,719,495	3.6
Depreciation		70,652		110,174	55.9
Other Expenses		149,361		163,809	9.7
TOTAL EXPENSES		23,187,156		24,060,780	3.8
CHANGE IN NET POSITION		643,034		32,003	-95.0
BEGINNING NET POSITION		2,611,415		3,254,449	24.6
ENDING NET POSITION	\$	3,254,449	\$	3,286,452	1.0

Comparative Information

- Current assets decreased by \$2,126,110 or 97.0% from last year. The primary reason for this decrease is due to a decrease in cash and cash equivalents in the amount of \$2,147,728.
- Total liabilities decreased by \$2,133,490 or 97.3%. The primary reason for this decrease is due to a decrease in accounts payable in the amount of \$2,101,607.
- Total revenues increased by \$262,593 or 1.1%. An increase in revenues from U.S. Immigrations & Customs Enforcements in the amount of \$842,375 is the primary source of this increase.
- Total expenses increased by \$873,624 or 3.8%. An increase in disbursements to GEO Group in the amount of \$826,634 is the primary source of this increase.

MD&A

CAPITAL ASSETS

At December 31, 2013, the LaSalle Economic Development District had \$3,278,865 invested in capital assets, including land and equipment.

	2012		2013
Land*	\$ 189,099	\$	189,099
Land Airport*	406,000		406,000
Improvements	2,100,185		2,185,509
Movable Equipment	33,473		33,473
Construction in Progress*	768,727		818,200
Accumulated Depreciation	(243,242)		(353,416)
Capital Assets, Net of Accumulated Depreciation	\$ 3,254,242	\$ _	3,278,865

^{*}Land in the amount of \$189,099 and Construction in Progress in the amount of \$818,200, are not being depreciated.

CONTACTING THE LASALLE ECONOMIC DEVELOPMENT DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the LaSalle Economic Development District's finances and to show the LaSalle Economic Development District's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact the LaSalle Economic Development District, Jena, Louisiana.

Basic Financial Statements

LaSalle Economic Development District Jena, Louisiana Statement of Net Position December 31, 2013

ASSETS	_	Governmental Activities
CURRENT ASSETS		
Cash & Cash Equivalents	\$	44,460
IESI Receivable		21,618
TOTAL CURRENT ASSETS		66,078
FIXED ASSETS		
Plant Property & Equipment (Net)		3,278,865
TOTAL FIXED ASSETS		3,278,865
TOTAL ASSETS	_	3,344,943
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Loans Payable		58,491
TOTAL CURRENT LIABILITIES	••	58,491
TOTAL LIABILITIES		58,491
NET POSITION		
Invested in Capital Assets, Net of Related Debt		3,220,374
Unrestricted Net Position		66,078
TOTAL NET POSITION	\$_	3,286,452

The accompanying notes are an integral part of the financial statements.

LaSalle Economic Development District Jena, Louisiana Statement of Activities Year Ended December 31, 2013

Functions/Programs	 EXPENSES	OPERATING GRANTS	Capital Grants	<u> </u>	NET (EXPENSE) REVENUE
Governmental Activities:					
General Fund	\$ (323,290) \$	-0- \$	171,428	\$	(151,862)
Special (ICE) Fund	(23,737,490)	23,854,476	-0-		116,986
Total Governmental Activities	\$ (24,060,780) \$	23,854,476 \$	171,428		(34,876)
		General Revenues			
		Police Jury Reimburse	ement		23,342
		Miscellaneous Income	e		43,537
		Total General Reven	ues		66,879
		Change In Net Positi	on		32,003
		Net Position – Begin	ning of Year		3,254,449
		Net Position - End o	f Year	\$	3,286,452

The accompanying notes are an integral part of the financial statements.

LaSalle Economic Development District Jena, Louisiana Balance Sheet – Governmental Funds December 31, 2013

	GENERAL FUND		SPECIAL (ICE) FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash & Cash Equivalents	\$ 8,612	\$	35,848	\$ 44,460
IESI Receivable	21,618		-0-	21,618
TOTAL ASSETS	30,230	. ,	35,848	66,078
Liabilities				
GEO Payable	-0-		-0-	-0-
TOTAL LIABILITIES	-0-		-0-	-0-
FUND BALANCES				
Unassigned	30,230		35,848	66,078
Restricted	-0-		-0-	-0-
TOTAL FUND BALANCES	30,230		35,848	66,078
TOTAL LIABILITIES & FUND BALANCE	\$ 30,230	\$	35,848	\$ 66,078

The accompanying notes are an integral part of the financial statements.

LaSalle Economic Development District Jena, Louisiana Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position Year Ended December 31, 2013

Fund balances - total governmental funds		\$ 66,078
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Capital Assets Less Accumulated Depreciation	3,632,281 (353,416)	3,278,865
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.		5,275,555
Other	(58,491)	(50 401)
Net position of governmental activities		\$ (58,491) 3,286,452

LaSalle Economic Development District Statement of Revenue, Expenditures & Changes in Fund Balance For the Year Ended December 31, 2013

		GENERAL FUND	-	SPECIAL (ICE) FUND	-	TOTAL GOVERNMENTAL FUNDS
REVENUE	•		•		•	22.710.476
Immigration & Customs Enforcement	\$	-0-	\$	23,719,476	\$	23,719,476
Administrative GEO Income		-0-		135,000		135,000
Miscellaneous Income		27,537		-0-		27,537
TOTAL REVENUES		27,537	•	23,854,476	•	23,882,013
Expenditures						
Salary & Related Taxes		-0-		16,152		16,152
LaSalle Detention Center-GEO		-0-		23,719,495		23,719,495
Repairs & Maintenance		51,150		-0-		51,150
Capital Outlay		134,797		-0-		134,797
Debt Service		36,000		-0-		36,000
Community Development Program		80,870		-0-		80,870
IESI Garbage Disposal		23,342		-0-		23,342
Other Expenditures		53,637		1,843		55,480
TOTAL EXPENDITURES		379,796		23,737,490		24,117,286
EXCESS (DEFICIENCY) OF REVENUES OVER						
(Under) Expenditures	-	(352,259)		116,986		(235,273)
OTHER FINANCING SOURCES (USES)						
Grant Income		171,428		-0-		171,428
Transfers In		132,000		-0-		132,000
Transfers Out		-0-		(132,000)		(132,000)
Police Jury Reimbursement		23,342		-0-		23,342
Lease Payment		16,000		-0-		16,000
TOTAL OTHER FINANCING SOURCES (USES)	-	342,770		(132,000)		210,770
NET CHANGE IN FUND BALANCE		(9,489)		(15,014)		(24,503)
FUND BALANCE, BEGINNING	_	39,720		50,861		90,581
FUND BALANCE, ENDING	\$ _	30,231	\$.	35,847	\$	66,078

LaSalle Economic Development District Jena, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balance, of Government Funds to the Statement of Activities Year Ended December 31, 2013

Net change in fund balances – total governmental funds		\$	(24,503)
Amounts reported for governmental activities in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital Outlay Depreciation Expense	\$ 134,797 (110,174)		24,623
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			- 13
Principal Paid		-	31,883
Change in net position of governmental activities		\$ _	32,003

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 – REPORTING ENTITY

The LaSalle Economic Development District (the "District") is a special district which was created by Louisiana Revised Statute 33:130.201 in 1988. The District is a political subdivision of the State of Louisiana and is governed by a Board of Commissioners appointed by various bodies within LaSalle Parish. Each board member must be a resident of LaSalle Parish. Each municipality shall appoint one member in a public meeting after receiving applications submitted by residents of the municipality. Each state and federally chartered financial institution with offices in LaSalle Parish shall appoint one member. The following LaSalle Parish bodies shall appoint one member each: LaSalle Parish School Board, LaSalle Parish Police Jury, LaSalle Development Board, and the LaSalle Parish Chamber of Commerce. The board members serve four year terms and receive no compensation.

The District was created for the primary objective and purpose of promoting and encouraging industrial development, to stimulate the economy through commerce, industry, and research and for the utilization and development of natural and human resources of the area by providing job opportunities.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the District is legally separate and fiscally independent, the District is a separate governmental reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information of the State of Louisiana or the general government service provided by that or any other governmental entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments.

B. Basis of Accounting & Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. Activities are presented using the economic resources method. The accounting objective of the measurement focus is the determination of operating income, changes in net position, and financial position. All assets and liabilities (whether current or noncurrent) associated with the government's activities are reported. Fund equity is classified as net position. Government activities are presented using the accrual basis of accounting. Under the accrual basis of accounting the Statement of Net Position and Statement of Activities present revenues, expenses and fixed asset acquisitions as follows:

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

Revenue- Revenues are recognized in the accounting period in which they are earned.

Expenses- Expenses are recorded when the liability is incurred or economic assets used.

Capital Assets- All capital assets are valued at historical cost, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation.

Program revenues included in the Statement of Activities are derived directly from outside parties.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities.

The District reports the following major governmental funds:

General Fund – The General Fund accounts for resources traditionally associated with the District which are not required legally or by sound financial management to be accounted for in another fund.

Special Fund – The Special Fund is used to account for the inflow and outflow of revenue from the U.S. Immigration and Customs Enforcement (ICE) intergovernmental agreement with the District.

Impact of Recently Issued Accounting Principles

In December 2010, the GASB issued Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. GASBS No. 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for periods beginning after December 15, 2011, and has been implemented in fiscal year 2012. The adoption of GASBS No. 62 does not have any impact on the District's financial statements.

In June 2011, the GASB issued Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASBS No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a Statement of Financial Position and related disclosures. The Statement of Net Assets is renamed the Statement of Net Position and includes the following elements: assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. This Statement is effective for periods beginning after December 15, 2011, and has been implemented in fiscal year 2012. The adoption of GASBS No. 63 does not have any impact on the District's financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

C. FUND FINANCIAL STATEMENTS

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The District uses the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Net Position reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred.

D. CASH & CASH EQUIVALENTS

All cash and cash equivalents are reported at cost and are on deposit at federally insured banks. The Districts cash (bank balance) at December 31, 2013, totaled \$135,106.

It is the District's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. All deposits were fully secured at the year-end.

E. INVENTORIES

The District did not record inventory at December 31, 2013.

F. PREPAID ITEMS

The District did not record prepaid items at December 31, 2013.

G. ACCOUNTS RECEIVABLE

At December 31, 2013, accounts receivable for the entity was \$21,618.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

H. PROPERTY, PLANT, & EQUIPMENT

Property, plant, and equipment are recorded at cost for purchased assets or at fair market value on the date of any donation. The District uses straight-line depreciation for financial reporting. The following estimated useful lives are generally used.

	Life In Years
Improvements	20 years
Equipment	10-15 years

NOTE 3 – OCCUPANCY SALES TAXES

The State of Louisiana imposed a hotel occupancy sales tax in LaSalle Parish for the District under Revised Statute (R.S.) 47:301 (14)(a). Under the provisions of R.S. 47:321(C) and 322 the taxes shall be credited to the Bond Security and Redemption Fund. After all the obligations of that fund that are due and payable for that fiscal year have been met, the treasurer will pay the remainder into a special fund designated as the "LaSalle Economic Development District Fund". This money shall by subject to appropriation by the legislature each year. Sixty-seven and one-half percent (67 ½%) shall be utilized by the LaSalle Economic Development District. The remaining thirty-two and one-half percent (32 ½%) is distributed to other LaSalle Parish entities.

NOTE 4 – PLANT PROPERTY & EQUIPMENT

The following is a summary of property, plant, and equipment for the airport and general funds combined, for the year ended December 31, 2013:

	Balance 12-31-12		Additions	Deletions		Balance 12-31-13
Land *	\$ 189,099	\$	-0-	\$ -0-	\$	189,099
Land- Airport *	406,000		-0-	-0-		406,000
Land Improvements	2,100,185		85,324	-0-		2,185,509
Moveable Equipment	33,473		-0-	-0-		33,473
Construction in Progress *	768,727		134,797	(85,324)		818,200
Accumulated Depreciation	 (243,242)		(110,174)	-0-		(353,416)
Net Total	\$ 3,254,242	\$ _	109,947	\$ (85,324)	\$_	3,278,865

^{*} Land in the amount of \$189,099 and Construction in Progress in the amount of \$818,200 are not being depreciated.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

NOTE 5 – NOTES PAYABLE

The following is a summary of the note payable obligations for the year ended December 31, 2013:

Note payable at beginning of year Principle reductions		90,374 (31,883)
Note payable obligations at end of year	\$	58,491

The following is a summary of the current (due in one year or less) and the long term (due in more than one year) portions of long-term obligations as of December 31, 2013:

Current portion Long-Term portion	\$ 58,491 -0-
Total	\$ 58,491

The district has a loan outstanding at Southern Heritage Bank with a balance of \$58,491. The loan has an interest rate of 4% and a maturity date of one year with an option to renew annually.

NOTE 6 – COOPERATIVE ENDEAVOR AGREEMENT LASALLE PARISH POLICE JURY

In 2005, the District entered into a cooperative endeavor agreement with the LaSalle Parish Police Jury (the "Jury") relative to the LaSalle Parish Airport, and all facilities, lands, equipment, movable items, rights, ways and appurtenances thereto appertaining. The Jury conveyed ownership of the parish airport to the District in consideration of the mutual benefit to the parties, the parish, and the surrounding business community. All operations, maintenance, expansions and improvements will be at the expense and sole discretion of the District. The Jury will remain as co-sponsor of the airport for the sole purpose of facilitating expropriation if needed in the sole discretion of the District to expand the airport, as directed by state and/or federal aviation officials. If the District ceases to exist as a state political subdivision, then in that event, all property conveyed and any improvements, equipment, expansions, and other property rights will revert or be transferred to the Jury and will be used by the Jury at its sole discretion as a public airport facility.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

NOTE 7 – AGREEMENTS

The District entered into an Inter-Governmental Service Agreement ("IGSA") with the United States Immigration and Customs Enforcement ("ICE") in fiscal year 2007. This agreement was to provide services for the detention and care of aliens ("detainees").

A service contract was entered into with the GEO Group, Inc. ("GEO") effective April 1, 2007, for the provision, management, and operation of a detention facility for the detention and care of detainees and to otherwise perform the District's responsibilities and obligations as set forth in the IGSA. Upon population of the facility the District was responsible for the billing, collecting, and remitting to GEO the per diem paid by ICE. The District shall be paid for the administrative duties by GEO contingent upon the number of detainees.

NOTE 8 – CONTINGENCIES

The District evaluates contingencies based upon the best available evidence. The District believes that no allowances for loss contingencies are considered necessary. To the extent that resolution of contingencies results in amounts which vary from the District's estimates, future earnings will be charged or credited.

The principal contingencies are described below:

Litigation and Other Matters – Various claims in the ordinary course of business are pending against the District. In the opinion of management and counsel, insurance is sufficient to cover adverse legal determinations in those cases where a liability can be measured.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

NOTE 9 - BOARD MEMBERS

Walter E. Dorroh, Jr.	President
W.B. McCartney, Jr.	Member
Ileen McGuffee	Member
Murphy McMillin	Member
Ned McCann	Member
Cynthia Cockerham	Member
Walter Creel	Member
Ramona Francis	Member
Kurt Girlinghouse	Member
Lee Richardel	Member
Joe Rachal	Member
Jakki Richardson	Member
Marlyn Sandifer	Member
Tom Kendrick	Member
Paul Tweedy	Member
Gayla Warren	Member
Donald R. Simmons	Member

Board members are paid \$-0- for their services.

NOTES TO THE BASIC FINANCIAL STATEMENTS CONTINUED

NOTE 10 - OPERATING TRANSFERS

Operating transfers were made for operational expenditures.

NOTE 11 - ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Immigration & Customs Enforcement provided \$23,854,476 to the District, which represents approximately 99% of the District's revenues for the year.

REQUIRED SUPPLEMENTAL INFORMATION

LaSalle Economic Development District Jena, Louisiana

Statement of Revenues, Expenditures & Changes in Fund Balances Budget and Actual Governmental Funds For the Year Ended December 31, 2013

Budget Amounts

	Duuget A	1111	Juilts				
	Original		FINAL	-	ACTUAL AMOUNTS BUDGETARY BASIS		BUDGET TO ACTUAL DIFFERENCES FAVORABLE (UNFAVORABLE)
REVENUE	22 000 000	•	22 000 000	Φ	00.710.474	Φ.	710.476
Immigration & Customs Enforcement	\$ 23,000,000	\$	23,000,000	\$	23,719,476	\$	719,476
Administrative GEO Income	110,000		110,000		135,000		25,000
Occupancy Sales Tax	-0-		-0-		-0-		-0-
FAA Grant Income	100,000		100,000		70,631		(29,369)
DOTD Grant Income	50,000		50,000		100,797		50,797
Miscellaneous Income	2,700		2,700		66,879		64,179
TOTAL REVENUES	23,262,700		23,262,700		24,092,783		830,083
EXPENDITURES							
Salary & Related Taxes	16,000		16,000		16,152		(152)
LaSalle Detention Center-GEO	22,900,000		22,900,000		23,719,495		(819,495)
Repairs & Maintenance	55,000		55,000		51,150		3,850
Capital Outlay	150,000		150,000		134,797		15,203
Other Expenditures	147,300		147,300		195,692		(48,392)
TOTAL EXPENDITURES	23,268,300		23,268,300		24,117,286		(848,986)
EXCESS (DEFICIENCY) OF REVENUES OVER							
(UNDER) EXPENDITURES	 (5,600)		(5,600)		(24,503)		(18,903)
OTHER FINANCING SOURCES (USES)							
Transfers In	130,000		130,000		132,000		2,000
Transfers Out	(130,000)		(130,000)		(132,000)		(2,000)
TOTAL OTHER FINANCING SOURCES (USES)	 -0-		-0-		-0-		-0-
NET CHANGE IN FUND BALANCE					(24,503)		
FUND BALANCE, BEGINNING					90,581		
FUND BALANCE, ENDING				\$	66,078		

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MEMBERS

American Institute of Certified Public Accountants

Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members of the Board LaSalle Economic Development District Jena, LA 71342

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the LaSalle Economic Development District, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the LaSalle Economic Development District's basic financial statements, and have issued our report thereon dated June 10, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the LaSalle Economic Development District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LaSalle Economic Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of the LaSalle Economic Development District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies. (2013-I-1 Small Size of Entity)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the LaSalle Economic Development District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

LaSalle Economic Development District's Response to Findings

The LaSalle Economic Development District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The LaSalle Economic Development District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

Jena, Louisiana June 10, 2014

LASALLE ECONOMIC DEVELOPMENT DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COST For the Year Ended December 31, 2013

We have audited the financial statements of the LaSalle Economic Development District, as of and for the year ended December 31, 2013, and have issued our report thereon dated June 10, 2014. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2013, resulted in an unqualified opinion.

Se	ction I Summary of Auditor's Results
a.	Report on Internal Control and Compliance Material to the Financial Statements
	Internal Control Material Weaknesses Yes No Other Conditions Yes No
	Compliance Compliance Material to Financial Statements ☐ Yes ☒ No
b.	Federal Awards (Not Applicable)
	Internal Control Material Weaknesses
	Type of Opinion On Compliance Unqualified Qualified Qualified Adverse Adverse
	Are the finding required to be reported in accordance with Circular A-133, Section .510(a)?
	☐Yes ☐ No
c.	Identification Of Major Programs:
	CFDA Number (s) Name Of Federal Program (or Cluster)
	allar threshold used to distinguish between Type A and Type B Programs:
Is 1	the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?

LASALLE ECONOMIC DEVELOPMENT DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COST- CONTINUED For the Year Ended December 31, 2013

Section II Financial Statement Findings (Continued)

Internal Control Findings:

2013-I-1 Small Size of Entity

Condition: Because of the small size of the District and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the District's cash.

Criteria: Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving and check writing.

Cause of Condition: Small size of entity and lack of employees.

Effect of Condition: Significant deficiency in internal controls.

Recommendation: We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Client Response: Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Contact Person: Kurt Girlinghouse

Anticipated Completion Date: December 31, 2014

Section III Federal Awards Findings and Question Costs

Not applicable.

LASALLE ECONOMIC DEVELOPMENT DISTRICT DECEMBER 31, 2013

MANAGEMENT'S CORRECTIVE ACTION FOR CURRENT YEAR AUDIT FINDINGS

FINDINGS:

2013-I-1 Small Size of Entity

Finding: Because of the small size of the District and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the District's cash.

Corrective Action: Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Contact Person: Kurt Girlinghouse

Anticipated Completion Date: December 31, 2014

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MANAGEMENT LETTER COMMENTS

During the course of our audit, we observed conditions and circumstances that may be improved. Below are situations that may be improved (if any) and recommendations for improvements.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

There are no current year comments.

LASALLE ECONOMIC DEVELOPMENT DISTRICT DECEMBER 31, 2013

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

The management of LaSalle Economic Development District has provided the following action summaries relating to findings brought to their attention as a result of their audit for the year ended December 31, 2012.

PRIOR YEAR FINDINGS

2012-I-1 Small Size of Entity (Unresolved)

Condition: Because of the small size of the District and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the District's cash.

District's Corrective Action: Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

2012-I-2 Documentation of Expenditures (Resolved)

Condition: We reviewed a random sample of disbursements and documentation for thirty-five (35) transactions. All documentation was validated as to proper amount and authority. However, there were four (4) checks or EFTs with no documentation. We were able to determine that the expenditures were necessary for the ongoing operation of the entity.

District's Corrective Action: The District will begin to support all expenditures with documentation describing the expense and business purpose unless evident by the documentation.

2012-C-1 Budget Variances (Resolved)

Condition: The LaSalle Economic Development District had an unfavorable expenditure amended budget variance of \$6,806,230 or 39.8% in the general fund during the year.

District's Corrective Action: The budget should be amended when actual revenues fall below budget amounts by more than 5% or when expenditures exceed appropriations by more than 5%.